SEPTEMBER 28, 1964

THE UNIVERSITY OF MICHIGAN
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PERIODICAL READING ROOM

WORLD BEEF TRADE

SPAIN CONSOLIDATING ITS SMALL HOLDINGS

RECORD EXPORTS OF U.S. FEED GRAINS

FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

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FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

SEPTEMBER 28, 1964

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Spanish farm women pick hops near Betanzos. In this corner of northwestern Spain farmers have an average of 5 acres. (See article on land consolidation, p. 5.)

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RECENT SHIFTS in the WORLD'S BEEF TRADE

By JOHN E. RIESZ
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Foreign Agricultural Service

Strong consumer demand for beef in Europe as well as in Japan, combined with a short production in Argentina and Europe, has brought about a number of changes in the world's beef trade. Chief among these are the shift of markets by the leading exporting countries and the temporary easing of import restrictions in certain countries of the European Economic Community.

During the last decade, world beef output in the 44 major producing countries has increased by 40 percent, reaching 59 billion pounds in 1963; and world beef trade has increased by 60 percent, to almost 5 billion pounds.

Although total production and exports in 1964 are expected to again increase slightly, a situation of short supply and high prices exists in many countries. Beef production in the United States and the Unitd Kingdom is above that for 1963, but output in the EEC—a big importing area—and in Argentina—normally world's largest exporter—has dropped sharply.

The declines—largely the result of herd rebuilding following an unusually heavy 1963 slaughter—have caused beef prices in Europe and other areas to rise dramatically. To check these prices and supply the still-strong consumer demand, the EEC and other beef-short countries have been buying from nontraditional sources.

The declines, too, are expected to delay full impact of the EEC beef regulations, scheduled to come into effect on November 1, 1964, on meat trade. The variable levies under these regulations—which will be a deterrent to third country trade with the EEC—will not be applied until domestic prices fall to within 5 percent of the "orientation" (target) prices.

At the present time, domestic prices are well above these "orientation" prices, and this situation is expected to continue through 1965. However, if at some future date EEC prices fall to the point where the variable levy system is implemented, imports from non-EEC countries will be affected.

Changes in importers' trade

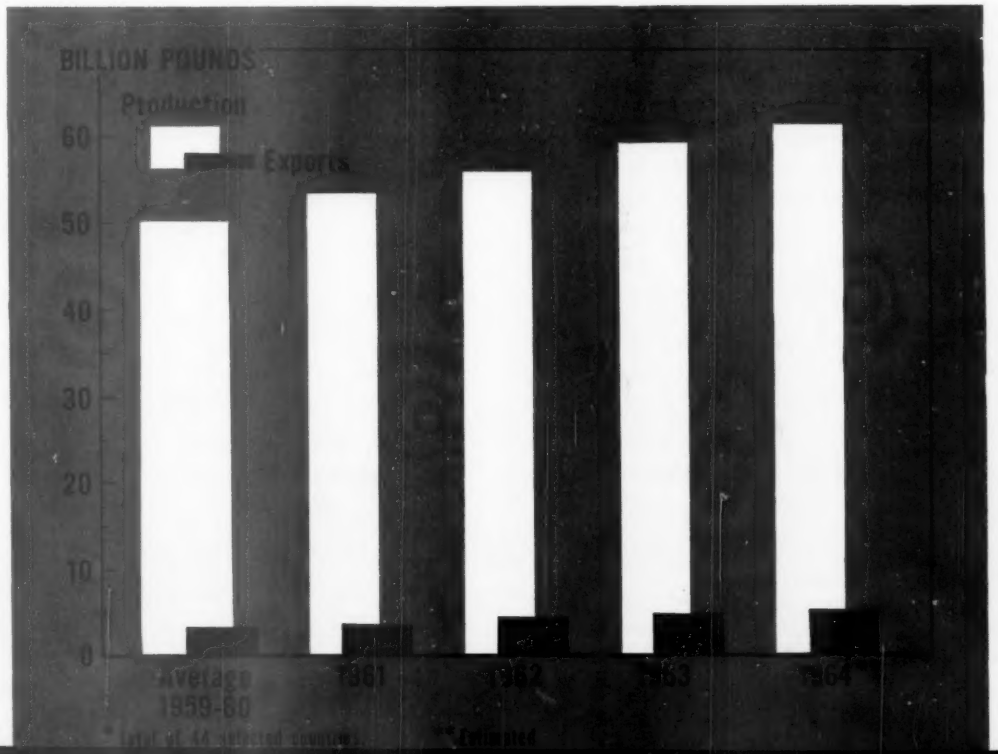
The severe winter of 1962-63 wreaked much damage in the European areas, especially in the EEC. Grain crops were sharply reduced, and as a result, a larger than usual number of cattle had to be slaughtered. This year, pasture conditions have been good, and herd rebuilding has been undertaken in many of the countries. With cattle being held off the markets, European prices on beef and veal have risen rapidly, as have imports.

France, normally the largest beef exporter in the European Economic Community, has chosen to up its imports and to ease restrictions on them rather than allow consumer prices to rise sharply. In recent months, it has bought beef from Argentina, Uruguay, and Australia. It has also cut the import duty on beef twice, from 20 percent to 6 percent, during the last of May through mid-August. France raised the duty in August, however, when local supplies increased.

Because of the shortage, French exports of beef are expected to be much smaller than the 255 million pounds shipped out in 1963. This means that the other EEC countries—normally large buyers of French beef—are having to look elsewhere for their supplies.

France is also having to reduce shipments of cattle well

Uptrend in World Beef and Veal Production and Exports*



below the 197,000 head exported last year. In fact, France has imported large numbers of slaughter cattle from Ireland and the United Kingdom.

Italy, which in 1963 surpassed West Germany as the Community's largest importer of beef, veal, and cattle, has had to turn to such nontraditional sources as Australia and New Zealand to fulfill its beef requirements. Normally such imports come from Argentina, Yugoslavia, and Denmark.

Italy's beef production has been increasing in the past few years but has not been keeping pace with rising consumer demand. As a result, its imports by 1963 had risen to approximately 570 million pounds from 120 million in 1961.

That country has historically been a big importer of cattle, purchases of which amounted to 750,000 head in 1963. Most of the cattle come from France and Austria, but those countries are not expected to fill Italy's import requirements in 1964.

To encourage cattle imports, Italy in July suspended the duty on cattle weighing less than 750 pounds from non-EEC countries. This has made possible the export of 2,500 U.S. cattle and a number of U.S. veal calves to Italy.

West Germany, generally a large importer of slaughter cattle from Denmark, is also having to look beyond its traditional sources of supply, partly because of a 5-percent decline in its own beef production. That country recently issued tenders for beef, one of which was for U.S. beef only. This is the first time that West Germany has agreed to buy beef from the United States under its purchase-control system.

The Netherlands had a record beef production in 1963, but because of strong export demand in France and Italy, prices have risen sharply this year, and imports have been increased.

The Netherlands also supplies slaughter cattle to other EEC countries, mainly Italy. It is expected that this trade will continue in 1964 but not on as large a scale as in previous years.

This year, the *United Kingdom* resumed large-scale buying of Australian and New Zealand beef, because of the inability of Argentina to meet Britain's import requirements. Up until 1964, an increasing share of the U.K. market had been going to Argentina, with the two Commonwealth countries, New Zealand and Australia, relatively inactive there.

A sharply increased domestic demand in *Israel*, coupled with the drop in Argentine production, has resulted in the export of 5.9 million pounds of frozen beef from the United States to Israel.

Changes in exporters' trade

Herd rebuilding in *Argentina* has seriously curtailed that country's supply of beef for export in 1964. This rebuilding followed the heavy slaughter of 1962-63, which was made necessary by that year's widespread drought.

In the first quarter of 1964, Argentine beef production had declined 25 percent from the same period of 1963. Production is expected to continue short throughout 1964, with only partial relief in the third and fourth quarters.

Earlier this year, Argentina had been trying to maintain reasonable levels of exports by making less beef available for domestic consumption, but internal pressures forced a curtailment of these efforts. Drastic price and supply control measures were taken to relieve shortages on the domestic market. These control measures, however, have afforded the Argentines only temporary relief.

It is expected that herd rebuilding will continue to place a strain on Argentine export supplies until 1966 or even 1967.

Australia before 1958 shipped the majority of its surplus beef to the United Kingdom. From 1958 through 1963, it shipped most of the beef to the United States. However, 1964 has shown a sharp reversal of the trend toward dependence on the U.S. market. With Europe needing large imports of beef and Argentina unable to supply these imports, Australia has diverted substantial amounts of beef from the United States to the European markets.

Australian beef exports in 1963, at 976 million pounds, were a record high. Cattle slaughter is expected to increase in 1964, but animals are being slaughtered at lighter weights than in 1963. Supplies available for export will therefore be approximately the same as in 1963.

New Zealand had also become increasingly dependent on the United States as a market for its beef exports, and like Australia, it has shifted its 1964 exports to the active European areas.

Ireland has almost ceased shipping beef to the United States this year, because of the strong demand in Europe and Great Britain. It has also been exporting large numbers of cattle to Europe. This situation is expected to continue throughout 1964.

Effect on U.S.

The *United States*, which was burdened with sharply increased imports of beef in 1963, is benefiting from these recent changes in the supply-demand situation. Also, new legislation recently enacted will prevent excessive amounts of foreign beef from entering the United States market in the future.

Imports of beef into the United States during the first 7 months of 1964 were down 19 percent from the 1963 period, while exports were up sharply. This trend is expected to continue for the remainder of the year, with total U.S. beef imports in 1964 forecast to decline 25 percent from the 1963 level and exports, to increase about threefold. U.S. exports of cattle to Europe are expected to continue well into the fall and possibly into 1965.

While U.S. exports of cattle and beef are comparatively small, the European market holds a definite potential for growth, provided U.S. prices are competitive and exporters can supply the type of beef the European market demands.

Argentine Meat Output Drops, Exports Slip

Argentine production of beef and veal in the first 6 months of 1964 is estimated at 925,000 metric tons, about 24 percent below the same period in 1963. However, exports of beef and veal dropped only 6 percent during the same period. There was a marked change in the composition of these exports in the first half of 1964; in previous years, the majority of Argentine beef exports has been chilled, destined for the United Kingdom, but in the first 6 months of 1964 larger than normal amounts of frozen beef were shipped to other European countries, mainly Italy and West Germany.

With the large production decrease and only a slight decrease in exports, consumption of beef and veal in Argentina has dropped rather sharply. It is estimated that domestic beef consumption for the first 6 months of 1964 was about 12 percent less than in the same period in 1963.

Spain Attempting To Resolve Land Fragmentation Problem

By EDWARD QUINONES
Assistant U.S. Agricultural Attaché, Madrid

Spain is striving to increase the efficiency and productivity of its farms by consolidating the numerous small and scattered landholdings. Carrying out this program is the Land Concentration Service, now 12 years old. The Service is widely supported by the farmers in Spain and its activities are fast gaining momentum; by 1967, the 1.5 million acres concentrated during 1954-63 will probably be tripled.

The complexity of Spain's land tenure structure has made such a program necessary. On one extreme are very large estates and on the other are many small holdings. Most of the latter are in the northern part of the country, where outdated inheritance laws have contributed to the extensive fragmentation; here is where the land consolidation activities are centered.

It was found in a cadastral study that even with the large holdings in southern Spain, the 106 million acres used for agricultural production (including pasture and woodland) are divided into 54 million plots. The almost 6 million land owners in Spain average only about 9 plots each, and these are often as small as one-fifth an acre. Further complicating the problem is the fact that a farmer's plots are often not together, instead scattered throughout a district.

How the program works

Such fragmentation was criticized by politicians and writers as early as the 18th century. In 1807, a commission was established to study the situation in Spain and report on it, but it was not until some 150 years later, in 1952, that a land concentration law was enacted. Work on the program began in 1954.

One of the outstanding features of the program is that it is operated on a voluntary basis. The Land Concentration Service must be asked by at least 50 percent of the farmers, representing at least 75 percent of the land ownership in a zone, before it considers a concentration program. The law provides authority for the Ministry of Agriculture, or other official agencies, to initiate action in a zone, but this feature has never been used.

Once the Land Concentration Service receives an application and an assurance that a majority of farmers want their land concentrated, the Council of Ministers must approve the project by decree. The decree obligates all owners in a given zone to cooperate. Once concentrated, land cannot be broken up again by inheritance and must be worked as one unit although several members of a family may own the farm.

A local board is established to carry out activities on that level; it is presided over by the local judge and includes public officials and elected representatives of the districts' farmers. Within this group, a working subcommittee is set up to assist in classifying land and to do property title research.

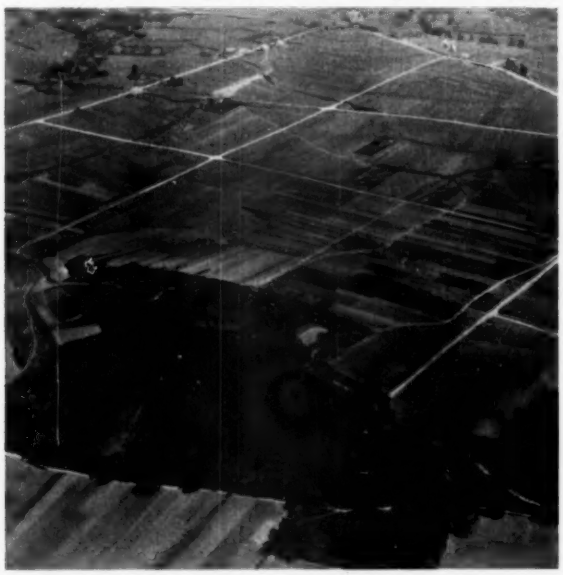
When all problems have been resolved and plans completed, an Agreement of Concentration is drawn up and submitted to the Central Committee for Land Concentration. The Committee draws up a Reorganization of the Property Contract, in which the new lots are rearranged in detail for every owner, including the responsibilities and juridical situations corresponding to each plot. Each farmer receives approximately the same land in quantity and value that he had before.

Acceptance of the program

Although it began modestly, this program is expanding rapidly. Of the total land concentrated between 1954 and

Fragmentation of land in Castilla, an arid grain producing area. Some parcels are as small as 6 square feet.

Land concentration in Galicia, Spain, has made possible better land use, irrigation, and building of new roads.



Numerous improvements accompany land concentration: Above, main outlet in a newly built canal; top right, construction of new bridge over Zapardiel River; bottom right, flock of sheep leaving a new livestock shelter.

1963, 71 percent was done from 1960 to 1963 and 26 percent in 1963 alone. Plans call for around 500,000 acres to be concentrated in 1964 and another 2.5 million during the Four Year Plan, 1964-67. This will bring the total area under the program to about 4.1 million acres.

The goal for 1967 represents only about 16 percent of all farms that are less than 50 acres in size. It is, nevertheless, an important step forward, especially in the 12-acre-and-less group where concentration is most needed. By 1967, over half of the farms in the latter category will have been consolidated.

Reaction to the program has been extremely favorable; in fact, by the end of 1963, requests entered for concentration covered about 87 percent of the plots of less than 12 acres and 26 percent of those below 50 acres.

Effects of land concentration

One of the most immediate effects of consolidating land is an increase in production owing to the elimination of borders and paths; usable arable land increases by 5 percent just by concentrating parcels. In addition, roads may be built, irrigation brought in, wells drilled, drainage ditches or systems constructed, and land use planning, including conservation measures, adopted.

Concentration permits the mechanization of land and thus the reduction of draft animals and of man-hours spent per unit of land. The substitution of machines for animal draft power is especially noticeable on those farms that are over 124 acres in size. Cooperatives for the purchase and use of machinery are often established soon after concentration of land. In four zones studied, labor productivity increased between 134 and 253 percent after land concentration.

One requirement of the Land Concentration Law is that farms be registered in the Property Registry, with the result that the farmers become better credit risks. Before concentration, many producers did not have their plots registered and could not offer their farms as collateral. In Galicia, for example, only 1 in every 2,000 farms is registered.

Another plus is that producers become highly motivated to seek out modern methods of production and to organize and manage their farms more efficiently. Often, century-old cultivation practices are discarded and wives and children, released from harsh farm chores.

Side effects and outlook

Land concentration is a necessary first step before more fundamental land problems can be faced. However, there have recently been several outgrowths of the program.

A newly established government program provides credits and other incentives to those grain farmers who pool their land and work it communally. One of the program's incentives is the introduction of machinery into the grain-producing areas.

Still another approach is the rural planning program, adopted in early 1964. Rural planning is a community development project over a large area with goals far wider and more ambitious than land concentration. It will include the establishment of minimum-sized farms; extensive credits for machinery; establishment of buildings, irrigation systems, and industries; and farm management and vocational training. By mid-1964, two rural planning zone projects were about to be announced.

Also helping to solve the problem of the overcrowded rural areas is the exodus of persons from the farms to the cities. Industrial development is moving at a rapid rate and is absorbing more and more laborers. The recently announced Economic Development Plan calls for a rise of 6 percent in the country's gross national product during 1964-67. During this period, 340,000 Spanish farm laborers are expected to leave agriculture for work in the city.

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French Butchers Win Easing of Wholesale Beef Price Squeeze

A 2-month strike by French butchers this summer on purchases of fresh beef at the wholesale level shows the kind of pressures that have been built up all over Europe by this year's meat shortage.

The butchers of Paris and other large cities began the strike on June 29 in protest against being squeezed between fixed retail price ceilings and uncontrolled wholesale prices. On August 27, the strike ended, with everyone fairly well satisfied—the butchers, the government, and the housewives. Fresh beef wholesale prices had fallen, giving the butchers more margin. The government had preserved the retail price ceilings and protected its price stabilization plan. And the housewives could still find beef at reasonable prices.

In general, the strike was unexpectedly effective. Newspaper accounts estimate that at least 80 percent of the butchers in the Paris region and 50 percent in other regions stopped purchases of fresh beef. In spite of sharply reduced supplies, the price (before taxes) of first-class fresh steer carcasses on the Paris market fell 23 percent during the 2-month period, from $64.80 per 100 pounds to $49.99.

The butchers had demanded that the French Government either raise the retail price ceilings or replace them by a fixed wholesale-retail margin, but the government held firm on that point. The butchers and the government, however, strengthened each other's hands to their mutual benefit. The butchers, by striking, reduced the demand for fresh beef at the wholesale level and thus helped the government's price stabilization program. The government placed on the market large quantities of frozen beef stored by SIBEV (the Livestock and Meat Price Control Agency) and thus enabled the butchers to meet at least part of their clients' demand for beef without being forced to break the strike by buying fresh beef on the wholesale market.

Although the strike was fairly well followed by the rank and file of butchers, a loosening of discipline was evident during the last few weeks. Purchases of fresh beef on the Paris market increased. Many butchers who had taken advantage of the strike to go on extended vacations returned and reopened their shops. Frozen beef supplies were insufficient to meet the growing demand. At the same time, the drop in fresh beef wholesale prices convinced many individual butchers that their purposes in supporting the strike had been met.

At an animated meeting on the evening of August 27, the officers of the Parisian Butchers' Union resigned after being unable to decide whether to end or continue the strike. This left butchers in the Paris region "free" to purchase fresh beef. The outgoing president advised, however, that they move slowly in their purchasing and keep a supply of frozen beef on hand.

Although the butchers continue to press for a fixed marketing margin instead of retail price ceilings, other solutions to the "butchers dilemma" are being sought. It has been suggested that fresh beef be replaced by frozen beef on the cost-of-living index. Thus, the government would not be forced to put such pressure on butchers' retail prices. It has demonstrated its ability to keep wholesale beef prices low through sales of government-stored frozen beef on the market, and thus to provide an "adequate" wholesale-retail price margin for beef while still maintaining retail price ceilings. At present, it feels compelled to keep the retail beef price as low as possible, for the French legal minimum wage is tied to the cost-of-living index, and on that index, beef (both fresh and frozen) is one of the most heavily weighted items.

—JOHN E. RAY
Assistant U.S. Agricultural Attaché, Paris

Canada Steps Up Freight Aid To Move Western Feed Grains East

Canada's government program to encourage the movement of western-grown grains to eastern Provinces for feeding continues to forge ahead. A recent development in the program (which dates back to 1941) is that, effective September 14, the subsidies heretofore granted only to water and rail vehicles are going also to truckers.

Previously, government policy gave railroads a virtual monopoly on feed grain transportation in many areas, particularly Quebec. The cost of shipping feed oats, barley, or wheat by rail was nearly twice that of shipping feed corn by truck. With the new provision, the government expects that railroads will lower their rates to compete with truckers, and this will save the taxpayers money. Press reports indicate that the railroads plan to introduce a new rate schedule this month.

The government expects to make adjustments for differences in transportation costs among the provinces, without changing the total amount of money provided for transportation assistance. There will, however, be no greater spread than C$2.00 per ton between the lowest and highest transportation costs, by the least-cost method of transporting grain.

Last fall, the government instituted winter storage payments in the east and allowed buyers to pay for grain when it was resold. A new policy amendment provides for paying storage costs in the Halifax elevator beginning September 15, rather than October 15, as elsewhere in eastern Canada. The reason for this is the extra time required to build up stocks in that area for winter use. Experts believe it will cost less to store water-shipped grain for an additional month than to ship it by rail after navigation is halted for the winter.

For this winter only, separate and higher rates of assistance will be paid on grain moved to certain maritime destinations by rail from December 1, 1964, to April 30, 1965. This provision refers to the situation at Halifax, Nova Scotia, where export wheat already is stored that will not be shipped overseas until the close of lake and river navigation.

Permanent changes in this interim program must await the report of Canada's House Committee on Agriculture, to which the subject of feed grain price differentials was referred on June 24 this year.

—JOHN C. MCDONALD
Acting U.S. Agricultural Attaché, Ottawa, Canada

Expanding U.S. Feed Grain Exports Set New Record

Exports of U.S. feed grains have shattered records for the fourth year in a row. The 1963-64 exports of 16.2 million metric tons—accounting for over half the feed grain shipments of all world suppliers—topped the previous high by 842,000 tons and the 1951-55 average by almost 11 million.

A new high has also been established for dollar sales. They reached about $736 million, or 88 percent of the total value of U.S. feed grain exports.

These accomplishments are a credit to the ever-increasing efficiency and productivity of the U.S. feed grains industry, as well as to its continuing efforts to promote the overseas sale of feed grains.

Can this impressive rate of growth in U.S. feed grain exports be maintained for the next 10 years and beyond?

Feed grain utilization in traditional U.S. export markets should rise steeply. The economic foundation is strong, as foreign consumers with high purchasing power seek to upgrade their diets with increasing proportions of meat and other livestock products.

The EEC and United Kingdom

But the extent of U.S. participation in this bullish outlook really depends in large part on the United Kingdom and the European Economic Community—whether U.S. exports to the United Kingdom will increase under the new market-sharing plan, whether the EEC will grant continued access to U.S. feed grains, and how the EEC's internal grain prices will affect the Community's production and consumption patterns.

These are questions which cannot be answered now, but a dramatic expansion of U.S. feed grain exports more or less pivots on the outcome. The EEC is this country's biggest feed grain customer, and the United Kingdom is third largest. These two—together with Japan, No. 2 customer—bought almost two-thirds of U.S. feed grain exports last year.

The best yardstick of future feed grain needs in these important markets is the history of expansion in both livestock numbers and mixed feed production, particularly since the mid-1950's. Neither Western Europe nor Japan, however, has increased feed grain production sufficiently to satisfy the consumption needs. Japan, for example, in 1954 grew three-quarters of the feed grains consumed, and now grows slightly more than half.

Livestock numbers growing

No let-up is seen in the drive to expand livestock numbers to narrow the gap in Western Europe and Japan between a rising demand for meat products and locally inadequate supplies.

Chickens, hogs, and cattle have measurably increased in number from the 1956-60 average. In Western Europe, poultry numbers—an estimated 520 million birds this year—are up 75 million. Hog numbers have increased by 17 percent to around 68 million, and cattle numbers, forecast at 83 million this year, represent a 7-percent gain.

In Japan, poultry numbers went from 48 million in the 1956-60 period to 121 million early this year, up 150 percent; hogs from 1.7 million to 3.2 million; and cattle, from 3.2 million to 3.5 million.

Poultry will continue to be the principal user of feed grains—eating about 50 percent of Western Europe's feed grains and 70 percent of Japan's. Hogs are next, followed by cattle, but the latter are expected to account for an increasingly greater share of feed grain utilization, now that a number of countries are turning to heavier grain feeding to increase meat yields. Grain feeding of cattle, widely practiced in the United Kingdom, is also gaining on the Continent, where there is a strong demand for fresh beef.

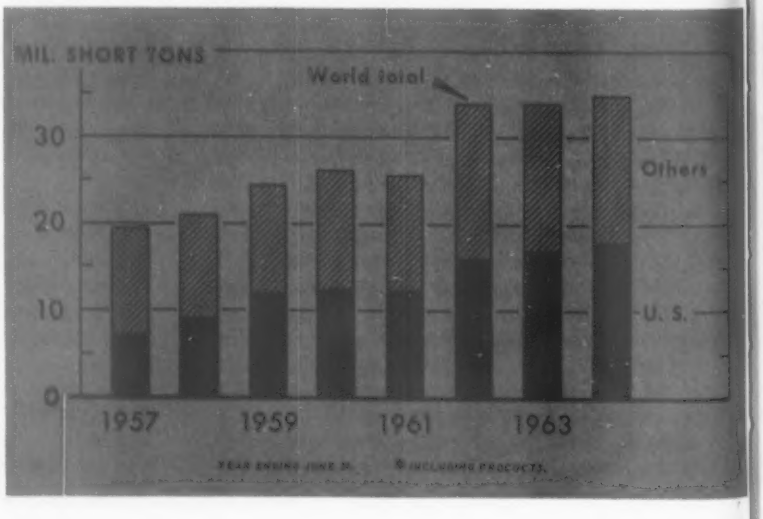
The new emphasis on grain feeding of all livestock has triggered a big expansion of mixed feed production in Western Europe and Japan. This is a good indicator of import needs for feed grains, because, historically, those countries with large mixed feed industries also have been heavy feed grain importers.

Mixed feed output up

Since 1958, mixed feed production in the Common Market has increased by about 70 percent, from 9.7 million metric tons to 16.6 million last year. In addition, the United Kingdom, biggest European buyer of U.S. feed grains after the Netherlands, has upped output by 14 percent to 8.2 million tons.

Pointing up the potential for mixed feed utilization in Western Europe is the progress made in the Netherlands.

U.S. and World Exports of Feed Grains*



where livestock today are fed mostly mixed rations. If mixed feed utilization in the other Common Market countries were to equal that in the Netherlands, this would result in an estimated 30-million-ton increase in total mixed feed production over the current level.

Japan's mixed feed industry has made even more striking gains than Western Europe's. There, mixed feed went from 1.2 million tons in 1958 to a high of 5.8 million in 1963. The 1964 output is expected to top the 1963 figure by 7 or 8 percent.

While livestock numbers and mixed feed output have been mounting, feed grain production in Western Europe and Japan has not increased proportionately, except in France and the United Kingdom.

Lower Japanese barley output

Japan's principal feed grain—barley—fell from the 1955-59 production average of 2.2 million metric tons to 748,000 last year. This reflects a shifting of emphasis from feed grain production to that of more profitable crops.

Western Europe's total feed grain output of corn, oats, and barley has actually expanded, from 38 million tons in the 1955-59 period to 51 million recently. Most countries of Western Europe, however, have not planted more feed grains, with France and the United Kingdom accounting for a good share of the increase.

Since the 1955-59 period, for example, Western Europe's corn production has gone up 2.8 million tons; the increase in France was 2.1 million tons. Over half the barley increase of 10.8 million tons was accounted for by France and Britain.

These trends—along with steadily climbing levels of purchasing power in Western Europe and Japan—are being heavily counted on to push U.S. feed grain exports to new heights. There remains that possibility, however, of the pendulum swinging the other way too. The opposing force would most likely come from the EEC's grain policy.

At the GATT Cereals Group of the Kennedy Round negotiations, the United States has proposed that access assurance be given to exporting countries by importing countries which maintain restrictions on trade other than the traditional import duty. Where the duty is the type of control used, quantitative assurances are not required, since importers can compete with domestic production on a price basis. This kind of competition is not possible where variable import fees, as used by the members of the EEC, protect domestic production.

The United States, of course, is also interested in where the EEC sets its internal prices for grains. Those now being considered—especially if protected by the present variable levy system—would not only encourage EEC grain production, but could result in much higher consumer prices for livestock products. This, in turn, would act as a restraint to increased consumption of these items, and—ultimately—could reduce the demand for feed grains in the Community.

EEC grain prices

Though the EEC members have not yet agreed on unified prices for the Community as a whole, significant increases in producer prices for feed grains have occurred in several countries since the start of the Common Agricultural Policy in the summer of 1962. (See Aug. 3, 1964, issue of *Foreign Agriculture.*) The latest deadline for setting unified prices is mid-December, but two previous deadlines had to be postponed.

Another development of concern to U.S. feed grain producers is a new market-sharing plan of the United Kingdom which went into effect this past July 1.

Under this agreement with a number of grain exporting countries, including the United States, the United Kingdom is committed to take action if imports show an appreciable decline below the average volume during the 3 years preceding July 1.

The agreement also stipulates that if imported grain prices fall below a prescribed level, the United Kingdom will enforce a levy to raise the import price to the agreed minimum. For a part of August, a "prospective levy" of 1.75 cents per bushel was effective on U.S. corn exports to the United Kingdom for delivery in the October-January period.

U.S. competitors

Finally, continued competition in world markets must be anticipated from other exporters—Argentina, South Africa, Thailand, and France. Fortunately for U.S. feed grains, all these countries seldom have had bumper crops to export at the same time.

This year, for example, U.S. corn's No. 1 competitor, Argentina, reportedly has harvested a corn crop which is at least 1 million metric tons larger than last year's 4.4 million. Thailand's corn output is also up.

(Continued on page 16)

Commercial Airlift of U.S. Veal Calves to Europe Begins

Asst. U.S. Secretary of Agriculture George L. Mehren (l.) represented U.S. Secretary of Agriculture Orville L. Freeman recently at ceremonies in New York City marking the inauguration of commercial exports of veal calves to Europe by jet transport on regularly scheduled airline flights. The 150-head shipment of unweaned calves traveled in wooden-slatted wire-bound crates.

U.S. Foods End Successful Exhibit at Vienna

The U.S. Food Exhibit at Vienna's International Fall Fair, which closed September 20 after an 8-day run, drew thousands of Austrian consumers and tradesmen to a galaxy of more than 300 processed and convenience foods.

Minutes after the U.S. Pavilion was officially opened by Austria's Minister of Trade Dr. Fritz Bock (l.), crowds swarmed the exhibit area, sampling doughnuts fried in soybean oil (above) at Soybean Council of America booth.

Other focal points were exhibits of the U.S. Rice Export Development Assoc., Florida Citrus Commission, Grocery Manufacturers of America, and the U.S. poultry industry.

Japanese Cotton Promotion Team Visits United States

Japan Cotton Promotion Inst. members recently ended a 15-day U.S. tour, during which they studied U.S. cotton promotion techniques as part of a National Cotton Council program to intensify international promotion of cotton. Following sales promotion sessions at NCC's Memphis office (above) the team covered retail, advertising, and fashion campaigns for cotton in New York City and Los Angeles.

Chile's 94th Livestock Show Gets First U.S. Foods Exhibit

U.S. foods will be promoted at Chile's 94th International Livestock and Industrial Exhibition at Santiago, October 24-November 9, for the first time in the history of Chile's oldest and most important agricultural show.

U.S. participation in the fair—heretofore limited to the presence of a U.S. cattle or swine expert as a judge at the livestock show—is being expanded this year because of Chile's growing potential as a market for food products made in whole, or in part, from U.S. farm commodities.

U.S. swine expert W. G. Streiff, a director of the United Duroc Swine Registry, has been invited to judge hogs at the show, which usually draws large crowds—last year, 800,000.

A U.S. pavilion will serve as a showcase for exhibits of cooperating Chilean firms and trade associations which sell imported U.S. foods under local brand names. The Ice Cream Manufacturers Association of Chile will introduce ice-cream milkshakes. Doughnuts, pancake mixes, and bulgur will be featured by a Chilean flour milling company which plans additional promotion of these wheat foods later on if consumer reaction at the Fair is good. Puffed wheat will also be shown.

The two major poultry producing organizations of Chile—and important importers of U.S. day-old chicks—will demonstrate poultry fried in soybean oil. Deep-fat fried chicken is an innovation in Chile, and should stimulate sales of both poultry and oil.

Co-op's Export Role Cited

The role of farmer cooperatives in helping build agricultural exports to record levels will be featured in an exhibit to be shown at the U.S. Department of Agriculture in Washington, D.C., Oct. 5-23, as part of an observance of Co-op Month.

Many of the major farmer cooperatives engage individually in export promotion, and many are members of the 40 trade and agricultural organizations which cooperate with Foreign Agricultural Service in market development overseas. Of the more than 30 agricultural firms that have won Presidential "E" awards for export achievement, seven are cooperatives.

U.S. Wheat and Flour Exports Above Last Year's

Exports of U.S. wheat and flour (grain equivalent) totaled 58 million bushels during July 1964—up by only 1 percent over those for July 1963.

Wheat grain exports amounted to 53 million bushels in July 1964, slightly above the same month last year. Exports to India were 18 million bushels or 34 percent; Pakistan, Brazil, and Yugoslavia accounted for 26 percent.

Flour shipments to all destinations were 10 percent lower in July 1964 than in the same month a year ago. For the past several years, the U.A.R. (Egypt) has been the chief market for U.S. flour. However, this July, Bolivia took over first place, with approximately 21 percent of total exports, against Egypt's 9 percent.

A detailed table and analysis appears in the September issue of *World Agricultural Production and Trade: Statistical Report.*

U.S. Feed Grain Exports Increase Slightly

U.S. feed grain exports for July 1964 totaled 1.2 million metric tons—slightly above those of July 1963.

Exports of corn and oats totaled 837,000 metric tons—a decrease of 88,000 tons. This was offset, however, by increased shipments of barley and sorghum. Exports of barley totaled 39,000 metric tons compared with 31,000 during July 1963. Sorghum shipments were 321,000 tons, or 96,000 above those of the same period a year earlier.

A detailed table and analysis has been published in the September issue of the *World Agricultural Production and Trade: Statistical Report.*

U.S. Rice Exports Up From a Year Ago

U.S. rice exports in the 1963-64 marketing year (August-July) were a record 1,385,000 metric tons, milled equivalent. They topped by 21 percent the previous high of 1,145,000 tons in 1962-63, and by 77 percent the 5-year 1956-60 average of 783,000 tons.

Because of substantial shipments of 83,300 tons to the USSR and Poland, exports to Europe set a record of 246,000 tons compared with the previous high of 200,000 tons in 1961-62. Quantities to Asia and Africa also increased sharply.

A detailed table and analysis appears in the September issue of *World Agricultural Production and Trade: Statistical Report.*

French Wheat and Flour Exports Down

France's exports of wheat and flour (grain equivalent) were approximately 11 percent less in fiscal 1964 than in the previous fiscal year. Total exports amounted to 2.7 million metric tons as compared with 3.0 million in fiscal 1963. The decline reflects the poor 1963 wheat crop, which was 28 percent below the record production in 1962.

Shipments to European countries increased by 64 percent during fiscal 1964. The largest market was the United Kingdom, which took 551,000 metric tons or 27 percent of the European total. Exports of wheat and flour to all other geographical locations showed a decrease—the sharpest in shipments to African countries.

A detailed table and analysis appears in the September issue of *World Agricultural Production and Trade: Statistical Report.*

Canada's Exports of Wheat and Flour Rise Sharply

Canada exported almost 66 million bushels of wheat and flour to all destinations during the month of July 1964, nearly three times the amount shipped in July 1963.

Huge purchases by the USSR were largely responsible for this tremendous rise, accounting for over 26 million bushels of wheat and flour out of a total 47 million shipped to Europe.

A detailed table and analysis appears in the September issue of *World Agricultural Production and Trade: Statistical Report.*

U.K. Imports of Butter and Cheese Increase

The United Kingdom imported 512 million pounds of butter in the first half of 1964. This was only 1 million pounds less than in the same period of 1961—the last year of unrestricted entry into the British market—and 18 percent more than in the 1963 period.

The principal increase over 1963 was in shipments from New Zealand, which at 210 million pounds exceeded the earlier year's by 30 million pounds. Imports from Australia also were markedly higher, rising to 80 million pounds from 66 million. Supplies from Denmark, at 98 million pounds, were only slightly below last year. Smaller, but important, traditional sources shipping quantities above a year ago included Finland, France, Ireland, and Poland.

Cheese imports were up 2 percent, to 166 million pounds. New Zealand, again the principal supplier, shipped 103 million pounds, or 6 million more than a year ago. Purchases from Canada, at 11 million pounds, increased by 4 million pounds. Trade with Ireland, France, Switzerland, and Finland also was above the 1963 level. Shipments from Australia declined 5 million pounds to 14 million, and those from the Netherlands, Denmark, and Italy were also down.

Canada Exports Fewer Cattle

Canadian exports of cattle to the United States dropped sharply in the first 8 months of 1964. During January 1-August 22, 1964, 88,000 head moved southward across the border compared with 119,000 a year earlier.

Exports of slaughter cattle this year declined from 16,000 head to 3,000 and those of feeders, from 45,000 to 14,000. However, there was a slight increase in exports of dairy and purebred cattle and calves. Shipments of the latter increased from 37,000 head to 48,000.

Shipments of feeder cattle to the United States have accounted for a substantial part of total Canadian cattle exports in recent years. In the first half of 1964, however, the Canadian market absorbed much of the production because of strong demand in that country. In fact, the high prices in Canada resulted in a record 20,000-head movement of U.S. cattle to Canada in the second quarter.

The largest export months for Canadian feeder cattle

are those immediately ahead—October, November, and December.

Although total cattle exports have dropped off, exports of breeding cattle to Cuba and the USSR have increased this year. The largest single shipment of Canadian purebred cattle left Montreal August 29 for the Soviet Union. The shipment included 160 head of Hereford bulls and 430 Hereford heifers.

Canada continues to export large numbers of breeding cattle to Cuba. Exports of purebred and dairy cattle to that country totaled 1,614 head during January-July 1964 compared with 1,070 during the same period last year.

Australian Meat Shipments to the United States

Four ships left Australia during the first and second weeks of August with 9,313,920 pounds of beef, 26,880 pounds of mutton, and 29,120 pounds of lamb for the United States.

Ship and sailing date	Destination [1]	Arrival date	Cargo	Quantity
	Eastern ports			*Pounds*
Crystal Sea -------	Charleston	([2])	Beef	44,800
August 5	Philadelphia	Sept. 1	Beef	322,560
	New York	4	Beef	1,500,800
	Boston	8	Beef	1,910,720
City of Winchester-	Charleston	4	Beef	331,520
August 8	Norfolk	7	Beef	239,680
	Boston	10	Beef	199,360
	New York	12	Beef	1,052,800
			Lamb	29,120
	Philadelphia	17	Beef	163,520
Montreal Star ----	Charleston	7	Beef	253,120
August 12	Norfolk	8	Beef	616,000
	Philadelphia	10	Beef	472,640
	New York	12	Beef	754,880
	Boston	16	Beef	235,200
	Western ports			
Ventura ----------	Los Angeles	Sept 3	Beef	273,280
August 13	San Francisco	7	Beef	528,640
			Mutton	26,880
	Seattle	12	Beef	241,920
	Portland	18	Beef	172,480

[1] Cities listed indicate location of purchaser and usually the port of arrival and distribution area, but meat may be diverted to other areas for sale. [2] To be transshipped.

England Announces Opening of Hops Quota

The U.K. Board of Trade has announced the opening of a 1,288,000-pound global quota for imports of hops in the year beginning September 1, 1964. This is down from 1,344,000 pounds in 1963 and 1,456,000 in 1962. The quota is allocated among brewers whose importing agents are the only ones permitted to apply for licenses.

Supplementary licenses may be granted if the 1964 crop of English hops proves insufficient to meet brewers' requirements of domestic hops.

Greece Expects Average Dried Fig Pack

Greece's 1964 dried fig pack is forecast at about the same as the 1956-60 average of 28,000 short tons, or almost 10 percent below the 1963 crop of 32,000 tons. Reportedly the crop was expected to be a few days later than normal but, if favorable weather continued, the quality would be about average.

Greek industry sources indicate that 1964-65 dried fig exports to the United States may amount to 2,500 tons. During the marketing year beginning September 1, 1963, the United States imported 2,128 tons of dried figs from Greece. Advance sales have been heavy and at prices ½ to 1 cent higher than last year.

On August 28 the Greek Government announced the following prices to growers for dried figs by grades:

Grade	*U.S. cents per lb.*
A	6.2
B	5.4
C	5.0

These are about a half cent above last year's levels. In addition the government will cover fumigation expenses of 0.53 cent per pound.

U.S. imports of Greek fig paste totaled 442 tons in 1963-64 at c.&f. prices of from 8.5 to 9.0 cents per pound. To date 220 tons of 1964-crop paste have been booked for export to the United States at 9 cents per pound. Additional sales are expected to be made at somewhat higher prices. The Greek trade expects 1964-65 paste shipments to the United States to exceed the 1963-64 level.

Japanese Cotton Imports Continue Strong

Imports of cotton into Japan during the first 11 months (August-June) of the 1963-64 season amounted to 2,979,000 bales (480 lb. net), of which 1,083,000 bales, or 36 percent, were U.S. cotton. Imports for the complete 1963-64 season are currently placed at 3,200,000 bales, compared with 3,070,000 in 1962-63.

Quantities imported from major sources, other than the United States, from August 1963 through June of 1964 (comparable 1962-63 figures in parentheses) were Mexico 721,000 (768,000), El Salvador 257,000 (244,000), India 148,000 (181,000), Nicaragua 145,000 (92,000), Guatemala 123,000 (113,000), Brazil 111,000 (171,000), Egypt 101,000 (53,000), Pakistan 93,000 (234,000), Sudan 70,000 (47,000), and Peru 42,000 (33,000).

Brazil's 1963-64 Cotton Crop Revised Upward

The 1963-64 cotton crop in Brazil is now placed at 2.3 million bales (480 lb. net), the same as last season and 100,000 bales above the June estimate. The southern crop turned out better than pessimistic reports earlier in the season might have indicated.

The 1964-65 crop in North Brazil continues to make normal progress and is expected to reach 1.0 million bales, compared with 920,000 in 1963-64.

An export quota covering 367,000 bales of the 1964-65 northern crop was recently issued. Expectations are that this quota will be raised to 436,000 bales later in the season. Export quotas totaled 528,000 bales for the 1963-64 southern crop.

Exports of cotton from Brazil totaled 1,145,000 bales in 1962-63 (August-July), compared with 847,000 in 1961-62. Exports for the full 1963-64 season are estimated at about 1.1 million bales. Total exports in the August-June period of 1963-64 amounted to 916,000 bales, compared with 711,000 in the comparable 1962-63 period. Quantities shipped to major destinations from August 1963 through June of the current season, with comparable 1962-63 figures in parentheses, were West Germany 240,000 (186,000), the USSR 115,000 (38,000), the Netherlands 110,000 (131,000), Japan 91,000 (147,000), the United Kingdom 72,000 (98,000), France 71,000 (67,000), Hong

Kong 45,000 (103,000), and Belgium-Luxembourg 40,000 (43,000).

Domestic consumption for the 1963-64 season is estimated at 1.3 million bales.

Hong Kong's Leaf Tobacco Imports Smaller

Hong Kong's imports of unmanufactured tobacco in 1963 totaled 18.3 million pounds, compared with 19.5 million in 1962. The United States, supplying 6.8 million pounds,was the most important source, and the Rhodesias-Nyasaland, with 6.3 million, ranked second. In 1962, the United States accounted for 7.4 million pounds and the Rhodesias-Nyasaland for 6.2 million. Other principal suppliers in 1963 (in order of importance) included India, Mainland China, Republic of South Africa, Mozambique, Malaysia, Japan, and Thailand.

Imports of cigarettes into Hong Kong in 1963, totaling 6.5 million pounds, were the largest since 1951. The United States furnished 4.7 million pounds of cigarettes, or 73 percent of the total, compared with 3.9 million pounds, 71 percent, in 1962. U. K. imports were nearly 1.8 million pounds compared with 1.5 million.

World Cigarette Output Increases

World cigarette output in 1963, at 2,466 billion pieces, was up 4 percent from the 2,371 billion pieces produced in 1962. All major producing countries, except India, Mexico, Argentina, Italy, Rumania, and Thailand, showed gains over the previous year.

Free World production of filter-tip cigarettes continued to rise through 1963 and represented 36 percent of total production, compared with 33 percent in 1962. The United States, West Germany (including West Berlin), and the United Kingdom continue to be the largest volume producers and accounted for almost 70 percent of total Free World output. The United States alone accounted for 50 percent of Free World filter-tip production last year against 53 percent in 1962.

Rhodesian Flue-cured Auction Prices

Prices of Rhodesian flue-cured tobacco on the Salisbury market averaged the equivalent of 25.1 cents per pound for the 27th week of sales ended September 10. About 40 million pounds remained to be sold.

Season sales through the 27th week totaled 269.7 million pounds at an average of 32 cents. Sales were completed in the 24th week a year ago, when the crop averaged 48.6 cents.

U.S. Tung Oil Imports Rise Steeply

Net imports of tung oil into the United States during November-July 1963-64 were 21.3 million pounds—nearly two-fifths above those in the same 9-month period of 1962-63. On a gross basis, they were far above those of the last 2 marketing years.

Most of the increase in shipments this season has been from Paraguay, reflecting a sizable oil outturn in 1963-64 as well as some stock disposition. Shipments from Argentina are also up sharply, but have accounted for three-fifths of total U.S. imports thus far, compared with over 70 percent in 1962-63.

U.S. tung oil consumption, which has declined markedly in recent years, is estimated at about 35 million pounds in 1963-64 compared with 31 million in 1962-63. This increase has resulted from the significantly lower prices this season, reflecting increased world availabilities from Communist China and South America.

Total U.S. imports of tung oil during the November-October 1963-64 marketing year are currently estimated at 25 million pounds.

U.S. IMPORTS AND EXPORTS OF TUNG OIL

Country	November-October			November-July	
	1960-61	1961-62	1962-63	1962-63[1]	1963-64[1]
	Million pounds	*Million pounds*	*Million pounds*	*Million pounds*	*Million pounds*
Imports:					
Argentina	22.1	16.4	13.4	10.8	12.7
Brazil	0.5	0.7	1.6	0.9	1.1
Paraguay	3.0	--	5.1	3.8	8.2
Rhodesia & Nyasaland	0.2	--	0.1	0.1	0.2
Others	--	--	0.1	0.1	--
Total	25.8	17.1	20.3	15.7	22.2
Exports, total	25.2	9.4	0.5	0.4	0.9
Net imports	0.6	0.7	19.8	15.3	21.3

[1] Preliminary.

U.S. Bureau of Census.

Brazil Expected To Plant Record Soybean Acreage

Brazil's soybean area in 1964-65 is expected to be its largest of record. And, if weather conditions return to normal, production in Rio Grande do Sul, which accounts for over 90 percent of Brazil's total, may approximate 12.5 million bushels, and total outturn may approach 14 million bushels. Farmers in the last few weeks have been receiving about double the minimum support price for the 1964 crop, which was Cr$2,400 per 60-kilogram bag. Moreover, while the new minimum price for the 1965 crop of Cr$4,600 is not as high as the market price, it is more than sufficient to stimulate increased production.

Following a spectacular climb in recent years to a record 12.7 million bushels in 1962, Brazil's soybean output went to 11.0 million in 1963 and to an estimated 8.5 million in 1964, largely as a result of weather.

Soybean and soybean cake and meal have, in the last few years, been significant earners of foreign exchange. Because of the reduced crops of 1963 and 1964, there were no exports of beans in the first 6 months of 1964 and it is unlikely that there will be any in the remainder of the year. In fact, because of the shortage of edible oils, Brazil is scheduled to import a substantial quantity of semi-refined oil from the United States under Public Law 480.

Exports of soybean cake and meal, mostly to West Germany, totaled 18,599 metric tons in the first 6 months of this year. In calendar 1963 Brazil exported 33,448 tons (1,299,000 bu.) of soybeans and 62,015 tons of soybean cake and meal.

Suez Canal Shipments Increase In July

Northbound movements of oil-bearing materials through the Suez Canal in July were 18 percent above those in June (*Foreign Agriculture*, Aug. 24) but 6 percent below those of July 1963.

Shipments during the first 10 months of the current U.S. marketing year were slightly below those of the comparable period last year. Increased shipments of copra, soybeans, castorbeans, and palm kernels were off-set by declines in peanuts, cottonseed, and "other" products.

NORTHBOUND SHIPMENTS OF OIL-BEARING MATERIALS THROUGH THE SUEZ CANAL

Item	July		October-July	
	1963	1964	1962-63	1963-64
	Metric tons	*Metric tons*	*Metric tons*	*Metric tons*
Soybeans [1]	29,115	50,467	81,198	110,575
Copra	55,403	53,233	581,388	668,785
Peanuts	24,610	12,368	234,528	183,919
Cottonseed	19,121	7,739	191,522	105,731
Flaxseed [2]	1,691	2,551	32,735	32,252
Castorbeans	2,851	1,828	48,564	66,649
Palm kernels	3,815	2,370	24,728	38,318
Others	8,633	5,911	115,834	95,225
Total	145,239	136,467	1,310,497	1,301,454

[1] 1 metric ton of soybeans equals 36.7 bu. [2] 1 metric ton of flaxseed equals 39.4 bu.

Suez Canal Authority, Cairo, Egypt.

Soybean shipments, which have been at relatively low levels in recent months, totaled 1,854,000 bushels in July. The October-July total was 4,063,000 bushels compared with 2,983,000 in the 1962-63 period—an increase of 36 percent or about 1 million bushels.

NORTHBOUND SHIPMENTS OF SOYBEANS THROUGH THE SUEZ CANAL

Month and quarter	Year beginning October 1				
	1959	1960	1961	1962	1963
	1,000 bu.	*1,000 bu.*	*1,000 bu.*	*1,000 bu.*	*1,000 bu.*
July	1,176	184	180	1,070	1,854
August	808	1,470	1	331	----
September	772	1,102	146	184	----
October-December	8,598	919	919	12	19
January-March	13,999	6,062	4,082	1,328	1,484
April-June	8,635	1,213	239	573	706
July-September	2,756	2,756	327	1,585	----
October-September	33,988	10,950	5,567	3,498	----

Totals computed from unrounded numbers.

Suez Canal Authority, Cairo, Egypt.

U.S. Exports of Soybeans, Edible Oils, Cakes, Meals

U.S. *soybean* exports in July declined from those in June by 8 percent, to 11.9 million bushels; however, cumulative exports in the October-July period were 3 percent above those in the same period of 1962-63. Soybean exports during July moved largely to Canada, Japan, and West Germany. (Israel was also a large purchaser, taking 1.2 million bushels.)

Exports of *edible oils* (soybean and cottonseed) totaled 148.3 million pounds in July—4 percent above those of the previous month. Cumulative exports for the October-July period were nearly equal to those during the same period in 1962-63. Cottonseed oil accounted for 34 percent of the total against 26 percent in October-July 1962-63.

Total edible oil exports from the United States for October-September 1963-64 are now estimated at 1,650 million pounds, including 1,050 million of soybean oil and 6 million of cottonseed oil.

July *soybean oil* exports, at 127.1 million pounds, rose sharply for the second consecutive month. Over half moved to Pakistan, with lesser quantities going to Morocco, Yugoslavia, Hong Kong, Turkey, and Tunisia. (Algeria took 6.1 million.)

Cottonseed oil exports declined in July to 21.2 million pounds, but for the 10-month cumulative period they remained nearly 30 percent above those of the comparable period in 1962-63. Major destinations for July exports were Poland, Canada (3.1 mil. lb.), and Iran (2.8 mil.).

July exports of *cakes and meals* totaled 152,800 tons—nearly 11 percent above those in June. Yet in the cumulative period through July, exports were down by 13 percent. Soybean cake and meal exports accounted for 95 percent of the July total, and moved largely to Denmark, Canada, France, and Belgium.

U.S. EXPORTS OF SOYBEANS, EDIBLE OILS, AND OILSEED CAKES AND MEALS

Item	July		October-July	
	1963 [1]	1964 [1]	1962 63 [1]	1963-64 [1]
SOYBEANS				
Japan ---mil. bushels	3.5	3.0	42.6	37.5
Germany, West ---do----	.6	2.0	20.2	27.0
Canada ---do----	4.0	3.2	23.2	24.2
Netherlands ---do----	1.5	.4	19.3	20.2
Italy ---do----	.5	.9	10.3	10.5
Others ---do----	4.2	2.4	45.8	46.9
Total ---do----	14.3	11.9	161.4	166.3
Oil equiv. ---mil. pounds	156.5	130.8	1,772.2	1,826.1
Meal equiv. -1,000 tons-	335.0	279.9	3,793.1	3,908.4
EDIBLE OILS				
Soybean:				
Commercial: [2]				
Poland ---mil pounds	---	4.4	---	95.5
Pakistan ---do----	20.0	66.4	83.9	92.9
Turkey ---do----	---	6.0	64.0	89.8
Yugoslavia ---do----	---	6.4	63.7	84.7
Iran ---do----	.8	8.9	35.0	50.6
Hong Kong ---do----	3.3	6.4	29.0	43.6
Netherlands ---do----	---	---	(*)	40.3
Morocco ---do----	6.6	6.6	45.6	32.7
Germany, W. -do----	---	---	(*)	30.1
Others ---do----	51.5	27.0	554.7	268.2
Total ---do----	82.2	127.1	865.9	828.4
Foreign donations [4] do--	3.1	(*)	66.8	[6] 1
Total soybean -do----	85.3	127.1	932.7	828.5
Cottonseed:				
Commercial: [2]				
Germany, W. -do----	---	1.8	48.7	96.9
Netherlands ---do----	---	(*)	39.9	69.6
Egypt ---do----	---	---	28.1	52.3
Turkey ---do----	---	---	23.2	39.1
Poland ---do----	---	7.3	---	36.7
Others ---do----	18.0	12.1	166.0	137.3
Total ---do----	18.0	21.2	305.9	431.9
Foreign donations [4] do--	.8	(*)	29.2	(*) (*)
Total cottonseed -do--	18.8	21.2	335.1	431.9
Total oils ---do----	104.1	148.3	1,267.8	1,260.4
CAKES AND MEALS				
Soybean:				
France ---1,000 tons	17.3	18.6	203.0	203.5
Canada ---do----	20.9	21.4	222.5	156.9
Spain ---do----	5.7	4.3	178.4	138.6
Netherlands ---do----	12.5	11.6	172.0	105.9
Germany, West -do----	13.1	9.3	113.8	96.5
Belgium ---do----	8.5	14.4	93.9	93.7
Denmark ---do----	12.9	22.0	90.5	79.6
Yugoslavia ---do----	---	---	33.4	65.5
Italy ---do----	20.4	11.8	80.9	63.9
Others ---do----	9.1	31.5	106.8	160.0
Total ---do----	120.4	144.9	1,295.2	1,164.1
Cottonseed ---do----	1.0	6.2	74.4	44.2
Linseed ---do----	---	1.1	37.2	19.5
Total cake and meals [7] ---dó----	121.4	152.8	1,416.4	1,229.0

[1] Preliminary. [2] Includes Titles I, II, and IV of P.L. 480, except soybean and cottonseed oils contained in shortening exported under Title II. Excludes estimates of Title II exports of soybean and cottonseed oil not reported by Census. [3] Less than 50,000 pounds. [4] Title III, P.L. 480. [5] If any, data not available. [6] Incomplete. [7] Includes peanut cake and meal and small quantities of other cakes and meals.

Compiled from Census records and USDA estimates.

Note: Countries indicates are ranked according to quantities taken in the cumulative period of the current marketing year. Therefore, monthly data of lesser importance in the cumulative period, shown in parentheses in the text, are omitted from the table.

U.S. Olive Oil Imports Up Sharply

Olive oil imports into the United States during January-July 1964 totaled 21,508 short tons compared with 9,032 in the same period of 1963.

The marked gain in imports this year is being influenced by increased export availabilities from the 1963-64 Mediterranean Basin outturn, at prices markedly below those of the 1962-63 season. Two countries in this region, Spain and Italy, accounted for 74 percent and 21 percent of the total, respectively.

Virtually all of the total imports have consisted of edible olive oil.

U.S. IMPORTS OF EDIBLE AND INEDIBLE OLIVE OIL

Type of oil and country of origin	Average 1955-59	1962 [1]	1963 [1]	January-July 1963 [1]	January-July 1964 [1]
	Short tons	*Short tons*	*Short tons*	*Short tons*	*Short tons*
Edible:					
Algeria	706	22	---	---	---
Argentina	477	164	492	440	---
France	619	148	124	85	119
Greece	1,708	1,799	1,444	1,175	48
Italy	7,585	8,286	5,483	3,237	4,447
Lebanon	13	(*)	---	---	---
Morocco	613	55	---	---	---
Portugal	49	193	79	58	50
Spain	9,237	14,270	7,720	2,989	15,992
Tunisia	4,107	2,396	913	913	166
Turkey	1	1,429	114	70	55
Others	189	1	74	20	601
Total	25,304	28,763	16,443	8,987	21,478
Inedible:					
Algeria	18	---	164	---	---
Greece	10	3	87	45	---
Italy	7	---	24	---	---
Portugal	304	100	---	---	---
Spain	41	19	76	---	30
Tunisia	38	5	---	---	---
Others	18	---	---	---	---
Total	436	127	351	45	30
Total oil	25,740	28,890	16,794	9,032	21,508

[1] Preliminary. [2] Less than one-half ton.

U.S. Department of Commerce.

West Germany's Imports of Oilseeds, Oils

West Germany's imports of oil-bearing materials during January-June 1964 increased by about 155,500 metric tons, nearly one-fifth, from the comparable period in 1963. Imports of fats and oils, as such, increased by nearly 22,300 tons, or about 7 percent.

Soybeans from the United States accounted for most of the increase. Soybean imports through June had increased by more than one-fourth and accounted for 70 percent of Germany's total imports of oil-bearing materials against 66 percent in the 1963 period. Virtually all—664,949 metric tons (24.4 mil. bu.) against 512,455 tons (24.4 mil. bu.)—were from the United States. Imports from Communist China were down by more than one-half to less than 5,000 tons.

Other increases occurred in imports of peanuts and palm kernels from Nigeria, copra and coconut oil from the Philippines, palm oil from the Congo (Leopoldville), and cottonseed and fish oils from the United States. These gains were partly offset by reduced imports of rapeseed from Canada, Denmark, and Sweden; linseed oil from Argentina; and whale oil from Norway and Japan.

West Germany's growth as a major world importer of oilseeds and vegetable, animal, and marine fats and oils reflects a relatively small indigenous production coupled with increased demand.

WEST GERMAN IMPORTS OF OIL-BEARING MATERIALS AND SELECTED FATS AND OILS

Item	1962	1963	January-June 1963	January-June 1964
	Metric tons	*Metric tons*	*Metric tons*	*Metric tons*
Oil-bearing materials:				
Cottonseed	23,296	26,706	11,917	562
Peanuts [1]	108,543	27,000	14,227	30,057
Soybeans	1,067,614	1,086,186	526,097	672,743
Sunflowerseed	20,634	30,988	11,045	8,362
Rapeseed	31,197	45,337	43,413	1,853
Copra	232,646	241,099	133,669	157,275
Palm kernels	124,091	129,425	43,745	63,683
Flaxseed	11,576	20,732	8,666	5,750
Castorbeans	26,678	24,432	10,367	18,353
Total	1,646,275	1,631,905	803,146	958,638
Fats and oils:				
Cottonseed oil	44,582	63,486	32,628	40,584
Peanut oil	28,513	47,326	22,621	20,957
Soybean oil	1,593	18,584	2,260	5,117
Sunflowerseed oil	44,377	51,394	28,605	25,327
Coconut oil	33,410	41,929	14,582	26,452
Pal kernel oil	16,326	16,608	10,017	6,186
Palm oil	78,988	92,587	40,207	59,311
Linseed oil	80,405	72,502	35,677	28,279
Butter (82%)	30,166	20,234	10,338	11,063
Lard	22,326	16,787	9,359	7,100
Tallow	63,585	61,317	31,542	38,216
Whale & sperm oil	59,044	64,622	47,629	34,979
Fish oil [2]	64,816	66,673	35,104	39,262
Total	568,131	634,049	320,569	342,833

[1] Shelled basis. [2] Excludes liver oil.

Compiled from official and other sources.

U.S. Green Coffee Imports Down in July

U.S. imports of green coffee in July 1964 were 1,552,000 bags valued at $84.3 million, compared with 1,957,000 bags valued at $78.3 million in July 1963. This represents a decrease of 21 percent in quantity and an increase of 8 percent in value.

Gross imports of green coffee for the first 7 months of 1964 totaled 13,376,000 bags valued at $679.6 million, compared with January-July 1963 imports of 12,970,000 bags valued at $510.1 million.

During the 1964 period, South America supplied 50 percent of the imports, with Brazil accounting for 32 percent. Africa supplied 27 percent, North America 21 percent, and Asia and Oceania the balance.

Imports of soluble and roasted coffee for January-July 1964 totaled 3,647,000 pounds and 4,223,000 pounds, respectively. Soluble imports were slightly below comparable 1963 imports of 3,736,000 pounds, while roasted coffee imports were up substantially from the 3,552,000 pounds for January-July 1963.

Mozambique Produces Kenaf

A company which operates the jute bag factory in Mozambique has been growing both jute and kenaf under encouragement of the Mozambique Foreign Commerce Board.

At present about 20 percent of the factory's jute fiber requirement is met by locally grown fiber, mostly kenaf. By 1963-64, the number of growers of kenaf in Mozambique had increased to 316 from the 200 of earlier years.

Of the nearly 6,000 acres of kenaf cultivated in 1963-64 by the factory corporation, about 4,500 acres were for fiber and the remainder for seed. A crop of about 4.5 million pounds of fiber is the target for 1964-65. If realized, the 1964-65 production will account for nearly a third of the company's requirements.

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Record U.S. Feed Grain Exports

(Continued from page 9)

But corn production in South Africa—U.S. feed grains' chief competitor in Japan—will be roughly 25 percent below the 1963 crop. France's corn harvest is also expected to be smaller—3.2 million tons against 3.7 million last year.

For grain sorghums, competition is definitely on the upswing, chiefly from Argentina where big production gains have been made in recent years.

To meet this competition in world feed grain markets, the U.S. feed grains industry above all must be able to assure foreign buyers of a constant, dependable supply of feed grains at reasonable and stable prices. Such assurance has always been a main ingredient in the high level of U.S. exports.

Emphasis on customer relationships

In addition, the U.S. feed grains industry must continue to show foreign importers and users that it is genuinely interested in them as customers. This has been a major objective of the cooperative government-industry market development program, sponsored by the U.S. Feed Grains Council in cooperation with the Foreign Agricultural Service.

Through introduction of improved livestock rations overseas, U.S. feed grains promotion has brought about new efficiencies in livestock production, a higher consumption of meat products, and finally, expanded utilization of feed grains. The foreign livestock producer, the consumer, and the feed manufacturer have all benefited from U.S. market development.

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